



Based on the information you have provided to the Restore Louisiana Homeowner Assistance Program (the "Program" or "RLHP"), in connection with your application, the Program has made a determination on the eligibility of your application and calculated your potential award. Your award calculation table is available by clicking the link "Open Grant Award PDF" within eGrants.

If you have already completed all construction activities and your award is a reimbursement award only, this letter outlines how your final award has been calculated and your award calculation table shows your final award determination. If you have a Solution 1 or 2 *repair or reconstruction* award or a Solution 2 *mobile home replacement* award, this award acknowledgment letter outlines how your final award has been calculated and your award calculation table shows your final award determination.

If you have a Solution 2 repair award, the Program will provide technical assistance for you and your selected construction contractor to review and confirm the Program's scope of work. You are **strongly encouraged** to review the enclosed scope of work with your repair contractor to determine if there are any eligible items or repairs which have not been included in the award. Any changes to this award that your contractor documents will be reviewed by the Program if you appeal your repair estimate **prior to grant execution**. The Program will determine if requested changes are eligible under the Program rules and, if they are, necessary eligible modifications will be reflected in your grant agreement, prior to starting Program-funded construction. You must notify the Program within thirty days that you will be requesting an adjustment to the award. (See Appeal Procedures for Applicants included at the end of this letter.)

During construction, your homebuilding contractor may discover unforeseen conditions requiring additional repair or alternative construction practices that were not included in your repair award. In these instances, **only unforeseen conditions** may result in a change order to your scope of work and your ultimate award, subject to Program review and approval. These changes may be positive, meaning an increased award, or they may be negative, meaning a decreased award. Such variations in your final award are necessary to ensure that your home is properly repaired and that the Program only pays for work that is necessary and reasonable within Program guidelines. In any instance of a decrease in the actual cost of your repair or reconstruction, the grant award and disbursements may be reduced to reflect the reduction in repair or construction costs. **Read your grant agreement carefully for additional requirements.**

If your damaged home, reconstructed home or replacement home is located in a Special Flood Hazard Area, any insurable structure on any part of the property shall, at all times, be insured under a policy of flood insurance in the amount of the lesser of: (i) the full insurable value of the structure as determined by the applicable property insurer, or (ii) the maximum amount available for the structure under the National Flood Insurance Program, or a successor program. The full insurable value of the structure will be based upon the Program's final total project cost for the applicant. Failure to maintain insurance may result in you being ineligible for future disaster relief.

Applicant(s) under Solution 1 and Solution 2 agree not to transfer the Damaged Home or any interest in the Damaged Home, whether voluntarily or involuntarily, until the rehabilitation or reconstruction to be performed under the program has been completed, as confirmed by a successful Program final

inspection. Applicant(s) under Solution 3 agree that the Damaged Home has not been transferred, sold or been made subject to any new liens, mortgages or encumbrances prior to receiving a grant award. Upon the sale or transfer of the property, you will, on or before the date of such transfer, and as part of the documents evidencing such transfer, notify all transferees in writing of the continuing obligation to maintain flood insurance on the property. In the event that you fail to provide such notice, you may be liable to the United States for future disaster assistance related to the property.

Evidence that your damaged home (or reconstructed home) is covered by any required flood insurance must be provided at the grant agreement execution and again before the final disbursement of grant funding. In the event the damaged home is being reconstructed, or a new MHU is being provided, evidence is only required prior to final funding of grant proceeds. A declaration sheet, ACORD form describing the coverage from your insurance company, or flood insurance application along with a paid receipt will be sufficient evidence to satisfy this requirement. If flood coverage is required, but not available due to the disrepair of your damaged home, you must submit a declination letter from the insurer at the grant agreement execution. In all cases, you must also provide proof that you obtained flood insurance once construction has been completed on your home, prior to final payment of grant dollars.

If you are required to elevate your home, the lowest habitable floor of your home must be elevated to either the local jurisdiction elevation height requirement or two (2) feet above the Base Flood Elevation (BFE), or two (2) feet above the Advisory Base Flood Elevation (ABFE), whichever is higher. For Solution 1 applicants, the Program will verify this requirement by obtaining final elevation certificates if the local jurisdiction is requiring elevation. If you are a Solution 2 or Solution 3 homeowner, it is your responsibility to obtain your elevation certificates and provide them to the RLHP.

UNDERSTANDING YOUR AWARD

In connection with the calculation of your award, Program representatives have made an inspection of your home and have compiled a list of damages that have either already been repaired and are eligible for reimbursement under Solution 3 and/or are eligible for repair under Solutions 1 or 2. Your estimates can be viewed or downloaded from your online account.

These estimates provide the initial basis of your award calculation. We also evaluated the sources of funding that have been made available to you by FEMA, SBA, insurance, and other sources for the express purpose of repairing your home. These funds, per federal law, are considered "Duplication of Benefits" or "DOB" and must be deducted from your reimbursement and/or repair estimate values. Federal law forbids the Program from providing a second source of financial assistance for the same repair purpose as funds already made available by FEMA, SBA, insurance, etc.

This letter will explain, in more detail, how we calculated your award. Information contained in this letter does not change any Program rules. Program rules contained in the RLHP Homeowner Manual are governing. Please make sure you review and understand current Program policies along with the sample grant agreement(s) located on restore.la.gov. You will need to sign your Grant Agreement at Grant Execution, to receive your award.

Your award calculation worksheet consists of seven main sections:

1. Program Information: Describes factors including your household income analysis, Program phase, and your solution selection/qualification.

2. Estimates: Contains the repair estimate to repair your home to program standards and the reimbursement estimate that values the repairs you have already completed, if any, at the Program-approved rates.

3. Duplication of Benefits: Details compensation you have received to repair your damaged property from other sources such as SBA, FEMA, and insurance proceeds. This will first be deducted from your reimbursement estimate and any excess DOB will then be deducted from your repair estimate. DOB may lead to unfunded awards for which you may need to escrow funds (Solution 1) or spend your own funds (Solution 2) prior to accessing RLHP funds.

4. Reimbursement Calculation: Demonstrates how the reimbursement portion of your award was calculated.

5. Repair Calculation: Demonstrates how the repair portion of your award was calculated.

6. Reconstruction Calculation: Demonstrates how the reconstruction portion of your award was calculated, if applicable.

7. Homeowner Responsibility: Demonstrates how the homeowner responsibility portion of your award was calculated. The amount shown in this section is the amount of money you will need to either place in escrow (Solution 1) or spend prior to accessing any RLHP grant dollars (Solution 2), less any approved deferred scope, if applicable.

PROGRAM INFORMATION

Area Median Income (AMI) Percentage: HUD publishes income tables for specific geographic regions. AMI is the "middle" number of the incomes in the defined geographic area. Your AMI percentage represents how close your income is to your area's median income. HUD's definition of income level is based on AMI percentage as detailed below:

AMI PERCENTAGE	INCOME CLASSIFICATION
80% or below AMI	Low to Moderate Income
Above 80% and up to 120% AMI	Moderate to Middle Income
Above 120% AMI	Middle to High Income

Applicant Phase: Your initial phase is determined by your survey responses. Your initial phase may change based on the information that is verified in your application. More detailed descriptions of the phases can be found in the RLHP Homeowner Manual.

Applicant Program Solution: This line indicates the solution or solutions for which you are eligible (Solutions 1 through 3). You may be eligible for only one solution or a combination of Solutions 1 and 3 or 2 and 3, depending on your individual circumstances.

Solution 1 Program Managed Rehabilitation / Reconstruction: Upon execution of your grant award for this solution, your repair or reconstruction project will be assigned to a Program contractor and your construction project will be initiated. The state will pay the grant proceeds

directly to the homebuilding contractor at 50% and 100% of construction completion, less any approved deferred scope, if applicable.

If you have selected Solution 1 and your Award Calculation Table indicates that there **are** escrow funds required, you will need to provide the full amount of your required escrow less any approved deferred scope, if applicable, in the form of a money order or cashier's check, at your Grant Execution appointment. Funds must be made payable to "Restore Louisiana Homeowner Depository". Please write your Account ID on your check. You will not be eligible for assistance unless these funds are provided to a Program representative at your Grant Execution appointment. The RLHP Homeowner Manual contains additional details about the escrow requirements. Once you have executed the Grant Agreement, you may be required to vacate your property for construction to begin.

Solution 2 Homeowner Managed Rehabilitation / Reconstruction: Under this solution, you will contract with your homebuilding contractor directly. Prior to grant execution for this solution, you must supply your selected licensed and insured contractor's information and your construction contract to the Program. Your homebuilding contractor is responsible for obtaining all necessary permits and you are responsible for providing copies of permits to the Program. The Program will issue two-party payment to you and your homebuilding contractor based on the payment schedule in your written construction contract or subject to the Program guidelines. The contractor's information and a copy of the executed construction contract must be provided to RLHP prior to grant agreement execution. Construction must begin within 180 days of execution of the grant agreement unless a written hardship extension is approved, or your award will be terminated.

The Program will allow you to self-manage your construction project or hire a licensed and insured homebuilding contractor or registered home improvement contractor to complete the work. Any work required by law to be performed by a licensed professional (i.e. electrical, plumbing, and mechanical) may not be self-managed unless you are a holder of the necessary license or your trade provider holds the necessary license. If you choose to self-manage your repair work, you must check with your local permitting office on whether or not your scope of work includes work that requires a permit. The Program may require documentation from you showing that you confirmed your scope of work with your local permitting office and that the permitting office determined no permits were required. If permits are required, the Program may require documentation from you showing that the work, as applicable, was in fact performed by a licensed professional.

If you have chosen Solution 2 to complete your remaining repair, you will need to spend the amount of Excess Duplication of Benefits and / or any required homeowner contribution indicated in the Award Calculation Table, on eligible repairs to your home, prior to the disbursement of any Program funds you are otherwise eligible to receive, less any approved deferred scope, if applicable. Program representatives will verify these repairs / expenditures prior to disbursement of Program Funds.

Solution 2 Mobile Home Replacement: If you are eligible for mobile home replacement, your award will be in an amount equal to the maximum Program cap or the actual cost of your replacement unit, whichever is less, and will be reduced by any duplication of benefit. The maximum Program cap for mobile home replacement is either \$45,000 or \$65,000 depending upon whether you are replacing a single-wide or a double-wide mobile home. Unlike Solution 2 Homeowner Managed Rehabilitation / Reconstruction, Solution 2 Mobile Home Replacement does not include a 20% construction overhead margin. The maximum Program cap includes all costs

associated with purchase, site preparations, delivery, removal of the damaged MHU unit, as applicable, and tie-in to site infrastructure.

Solution 3 Reimbursement: If you are eligible for reimbursement, your award will be in an amount equal to the Program-determined cost of the eligible repairs already completed, less any Duplication of Benefit., Your reimbursement check will be issued to you by check.

Eligible expenses will be based on a standard pricing guide for construction used by the Program and as assessed during an onsite inspection. Program pricing standards are not appealable. Actual expenses incurred are expected to be higher than the Program's eligible expenses and price standard. In most circumstances, the eligible reimbursement amount will be less than the actual price paid.

Combination 1 & 3 or 2 & 3: If you are utilizing a combination of Solutions 1 and 3 or 2 and 3, a separate grant agreement must be executed for each solution.

ESTIMATES

In connection with the calculation of your award, Program damage assessors have made an inspection of your home and have compiled a list of damages to your home that are eligible for repair under Solutions 1 or 2, as well as repairs that have already been completed on your home and which may be eligible for reimbursement under Solution 3. You can view and / or download your estimates from your online account.

If no work has been completed prior to the Damage Assessment, then only a repair estimate is listed in your Award Calculation Detail. If you completed repairs on your home before your Damage Assessment visit, then only a reimbursement estimate is listed in your Award Calculation Detail. Both a reimbursement estimate and a repair estimate would be listed in your Award Calculation if you were partially complete with your home's repairs at the time of your Damage Assessment. The Program also creates a reconstruction estimate for all homes where there are remaining repairs needed. This allows the Program to determine whether it is cost reasonable to repair the home or whether it would be more cost-effective to reconstruct the home.

Overhead will be added to both Solution 2 and Solution 3 estimates. This additional 20% is intended to cover the inherent costs of obtaining and paying a homebuilding contractor, as this is the typical charge passed onto the homeowner. Overhead is not added to Solution 1 awards, but is still paid on your behalf to the homebuilding contractor. Overhead is not added to mobile home replacement awards.

Square Footage of Home: This line reflects our estimate of the total living area of your home, excluding carports, garages, porches, detached structures and the like.

Reconstruction Estimate: The total living area square footage is multiplied by \$108.00 / square foot cost factor to establish a replacement allowance for your home. We base the \$108.00 / square foot unit rate on the cost of replacing your home with a home of modest, standard condition. The Program is not intended to compensate you for replacing a custom or semi-custom home. The \$108.00 / square foot unit rate does not include the value of the land and only calculates the cost to rebuild at a modest level.

Percentage of RLHP Damage: The relative percentage equals your repair estimate divided by your reconstruction estimate, which is multiplied by 100. This is how the Program compares the cost to repair your home versus the cost to reconstruct a modest home of similar square footage.

We use the Percentage of RLHP Damage to choose between the repair estimate and the reconstruction estimate. For applicants who receive both a reconstruction and repair estimate, we determine which cost estimate to use in the award calculation based upon the following:

- If the Percentage of RLHP Damage is less than 80% of the reconstruction amount, we use the repair estimate for calculating the cost of rehabilitation of your home.
- If the Percentage of RLHP Damage is equal to or more than 80% of the reconstruction amount, the reconstruction estimate is used to calculate the cost of reconstruction of the damaged structure.

DUPLICATION OF BENEFITS INFORMATION

You will be required to certify that you have reported all DOB and any monies received both before and since the initial application. If you receive additional DOB after the date you sign your grant agreement, you must notify the Program. You will be required to enter into a subrogation agreement allowing the State to claim any additional DOB up to the grant amount.

FEMA IA: FEMA Individual Assistance (FEMA IA) is the assistance FEMA may have provided for home repairs. The FEMA NEMIS database verified this information. If you can provide documentation demonstrating that the FEMA IA amount provided by the FEMA NEMIS database includes amounts not intended to cover structural loss, we will use the documentation you provide to adjust the FEMA IA payout amount. The documentation you provide must come from FEMA.

National Flood Insurance Program (NFIP) Insurance: Any insurance proceeds paid through NFIP for repair of your structure will be deducted from your award as a DOB.

SBA: Federal regulations deem Small Business Administration (SBA) loans for repair to be a DOB for federally funded repair programs. The approved loan amount counts as a DOB even if you have not drawn down any funds from the approved loan or have repaid the funds. The limited exceptions to this requirement are low to moderate-income households that have declined an SBA loan, or applicants with written correspondence from SBA confirming that the applicant's circumstances changed, therefore resulting in changes to the underwriting and terms of the loan.

Private Insurance: We must deduct all property or casualty insurance payments, including flood, settlement amounts for loss to dwellings from your award as a DOB. Private insurance payments for contents or other expenses do not count as a DOB, and we will not deduct such payments from your award.

Other: Funding received from other sources such as non-profit entities that you received for the same purpose as this grant are considered a DOB.

Total Duplication of Benefits: The Total Duplication of Benefits line sums all the prior lines in this section.

REIMBURSEMENT CALCULATION

Reimbursement Estimate with Overhead: This line includes your reimbursement estimate, as determined by the Program, plus the 20% overhead allowance.

Total DOB: The Total Duplication of Benefits applicable to your reimbursement appears on this line and is deducted from your Program eligible reimbursement estimate.

Total Eligible Reimbursement Award: Your Total Eligible Reimbursement Award is the reimbursement estimate, as determined by the Program, with Overhead amount less the Total DOB.

REPAIR CALCULATION

Repair Estimate with Overhead: This line includes your repair estimate, as determined by the Program, plus the 20% overhead allowance for Solution 2. No overhead allowance is added to the Solution 1 repair estimate because the overhead is paid directly to the Solution 1 construction contractor by the Program.

Total DOB: The total Duplication of Benefits applicable to your repair appears on this line and is deducted from your eligible repair estimate. This amount is only the excess DOB remaining after DOB has been subtracted from your reimbursement award, if any.

Total Eligible Repair Award: Your Eligible Repair Award is the repair estimate (with overhead included if you are Solution 2), as determined by the Program, less any remaining excess DOB.

RECONSTRUCTION CALCULATION

Reconstruction Estimate: This line is the total of your living area square footage multiplied by \$108.00/square foot.

Total DOB: The total Duplication of Benefits applicable to your reconstruction appears on this line.

Reconstruction Award: This is the reconstruction estimate, as determined by the Program, amount less the DOB.

AMOUNT OF HOMEOWNER RESPONSIBILITY

If you selected Solution 1 (Program Managed Rehabilitation / Reconstruction) and have a demonstrated Duplication of Benefits you will be required to escrow all funding above the grant amount, at grant execution.

If you selected Solution 2 (Homeowner Managed Rehabilitation / Reconstruction or Mobile Home Replacement), you will not be required to escrow funds, but you must instead contribute funds to repair your home. You will be required to first spend personal and/or borrowed funds on your home repair prior to receiving Program grant funds.

The Program has defined specific repair items for both Solution 1 and Solution 2 that are deemed non-essential for occupancy or habitability under the Scope Deferment Policy. The policy allows applicants who cannot fulfill their escrow or homeowner responsibility obligations at the time of grant execution to complete the finishing repairs on their own time. Reference the Scope Deferment Policy section of the RLHP Homeowner Manual for Program rules.

LEAD HAZARD NOTIFICATION

At application you were provided access to the EPA pamphlet entitled "Protect Your Family from Lead in Your Home" that can be found at https://www.epa.gov/sites/production/files/2014-02/documents/lead_in_your_home_brochure_land_b_w_508_easy_print_0.pdf. If you have not

already downloaded a copy of this brochure, please access the link above to obtain a copy for your records.

GREEN BUILDING STANDARDS

The Program's construction activities will comply with Green Building Standards as described in Federal Register (FR) 5989-N-01. The State of Louisiana has adopted the ENERGY STAR Certified Home standard for projects that were substantially damaged or where reconstruction is required. Homes that were non-substantially damaged (rehabilitation) must apply the HUD CPD Green Building Retrofit Checklist to all work undertaken as a part of the Program.

Under Construction or Contract Prior to Grant Execution. For construction projects completed, under construction, or under contract **prior to the date that assistance is approved for the project**, adherence to the applicable standards to the extent feasible is encouraged, but not required. RLHP will include in its construction estimates the necessary materials, products, and labor needed to meet Program-required Green Building Standards. Adherence to the applicable Green Building Standard will be verified at each construction draw inspection. Should an applicant or an applicant's contractor fail to comply with the applicable Green Building Standard, the work is not eligible for payment under the Program.

Not Under Contract or Construction Prior to Grant Execution. Homeowners who have not completed or begun construction or are not under contract for construction services at the time of grant agreement execution **must** comply with the HUD CPD Green Building Retrofit Checklist, as applicable, for rehabilitation projects or the ENERGY STAR Certified Home Standard for reconstruction projects. If during final inspection it has been determined that non-energy efficiency materials were used in place of the prescribed energy efficiency line items for rehabilitation projects, the RLHP will deduct the value of the prescribed energy efficiency line items from an applicant's final grant award in their entirety. Thus, applicants will not receive funding for any non-energy efficiency materials as observed during final inspection. For reconstruction projects that do not meet the ENERGY STAR Certified Home Standard, the applicant will forfeit the entire amount of the grant.

WHAT TO DO NEXT

You may accept or appeal your award determination, request consultation with your case manager for further explanation of your award, or indicate your intention to withdraw from the Program. You may do this through your online account. If you cannot access your account online, you will need to call the RLHP Call Center or schedule a meeting with your case manager in order to make your selections.

Appeals Procedures for Applicants

If you disagree with how the Program has calculated your award or potential award, with anything contained or omitted in the reimbursement or repair estimate, or with any of the duplication of benefits, you may appeal the decision. You must file your appeal **prior to** executing your grant agreement or by November 02, 2018, whichever occurs first. If this letter was received after October 05, 2018, then an appeal must be filed within thirty (30) days of the date of this letter or prior to execution of the grant agreement, whichever occurs first. In the event a future policy change by the Program would positively impact the amount of your grant award, your grant will be recalculated accordingly and you will have the option to accept and sign a grant agreement with the updated grant award.

If your appeal is to request an adjustment of the repair estimate in Solution 1 or 2 repair awards, the appeal process will include the opportunity for a preconstruction review of the scope of work with your contractor and a request for the Program to consider additional items for inclusion in the estimate.

After you have submitted your appeal, the Program may contact you to submit additional supporting documentation, if necessary and depending upon your individual situation. Such supporting documentation may include items such as property records, photographs, or correspondence from agencies such as FEMA or SBA. You will be notified of the specific additional documentation required.

You may not appeal policies that have been approved and incorporated by the Program, such as the Program's process for assessing the value of materials eligible under the Program. In addition, you are not allowed to appeal the award amount after grant execution. Further, statutory and regulatory requirements / guidelines may not be appealed.

The appeal request can be submitted in one of the following ways:

eGrants: You should access the Appeal Form by selecting the Appeal radio button on the Award Acknowledgement screen within eGrants. The Request for Appeal form will display with Save and Submit buttons. Once you have completed the form, you will need to Submit the form to file an appeal. If you choose to begin the appeal and return later to complete it, you will need to Save the form.

In Person: If you are unable to file an appeal online, you will need to schedule an in-person meeting with your Case manager or choose the Consult radio button on the Award Acknowledgment screen which will allow a Case Manager to file the appeal on your behalf.

IMPORTANT: All available supporting documentation must be submitted with your appeal request.

Regardless of the reason(s) you have filed an appeal, your entire file will undergo a full review. You must be aware that this full file review may result in positive or negative changes to your eligibility status or an increase or decrease in your previous award amount. Such variations in your final award are necessary to ensure that your home is properly repaired and that the Program only pays for work that is necessary and reasonable within Program guidelines. In any instance of a decrease in the actual cost of your repair or reconstruction, the grant award and disbursements will be reduced to reflect the reduction in repair or construction costs.

If you have any questions regarding the Appeal process, please contact our Helpline at 866-735-2001.